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DAVE COLLOGAN/EDITOR
MONICA MOORE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

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GAMA SHIPMENT FORECAST PREDICTS 'INSTANT REPLAY' OF 1982

Forecast of new general aviation aircraft shipments and billings in 1983 by the General Aviation Manufacturers Association calls for virtually the same number of units and same billings as in 1982. The forecast, issued Friday by GAMA during an appearance before the Aerospace Analysts Society in New York, calls for production of 4,415 units valued at $2 billion. In 1982 GAMA member companies delivered 4,268 new aircraft valued at $1.99 billion.

GAMA President Ed Stimpson termed the 1983 forecast "conservative" and emphasized that while the forecast for 1983 is very similar to 1982 results, the timing of business in 1983 is expected to change. He said most manufacturers reported a strong first quarter in 1982, but business declined markedly for the remainder of the year due to high interest rates and the overall impact of the recession. The forecast for 1983 is predicated on improvement in the business climate and increased GA deliveries in the second half of the year.

Largest percentage shift from 1982 to 1983 is expected to be in jet aircraft. The industry delivered 259 jets in 1982, but Stimpson said jet deliveries will fall to 175 aircraft this year, a drop of 32.4 percent (actual jet delivery figures for 1982 and the 1983 forecast include Gates Learjet Corp. even though Learjet is no longer a GAMA member). Jet billings will fall from $990 million last year to about $800 million in 1983, a drop of only 19 percent, primarily because those jets that will be delivered will be more sophisticated, expensive models.

Turboprop shipments will fall slightly from 458 aircraft to 450 this year, but turboprop billings are expected to climb from $590 million last year to $700 million in 1983.

In the piston-powered market, deliveries of both single- and multi-engine aircraft are expected to increase slightly. Forecast calls for single-engine shipments to go from 2,871 last year to 3,065 in 1983, while multi-engine deliveries will go from 678 in 1982 to 725 this year.

Stimpson acknowledged that GAMA, like many other economic forecasters, "missed by a country mile" in its predictions for GA production in 1982. The association had originally forecast delivery of 8,200 aircraft valued at $3.2 billion in 1982 *(BA, Jan. 18, 1982/17)*. Actual deliveries in 1982 also were far below the average for the past 10 years *(see charts on the backs of Pages 18 and 19)*. Stimpson emphasized that GA deliveries over the years have shown a strong correlation with a number of indices, including Gross National Product, spending for new plants and equipment and corporate after-tax profits. He said general aviation shipments should reflect improvements in those indicators.

DREW LEWIS REJECTS STOCKMAN PROPOSAL TO AUCTION SLOTS AT DCA

Transportation Secretary Drew Lewis last week said that the auctioning of landing rights at Washington National Airport is not in the "best interests of the industry or the public" and that the current Washington airports policy "is both effective and fair and is achieving the goals intended." Lewis' statement is in response to a proposal made by Office of Management and Budget Director David Stockman to adopt a market pricing strategy for landing slots at DCA *(BA, Jan. 10/9)*.

In a letter to Stockman, Lewis said "the airline industry has been hit in recent years by sharply in-

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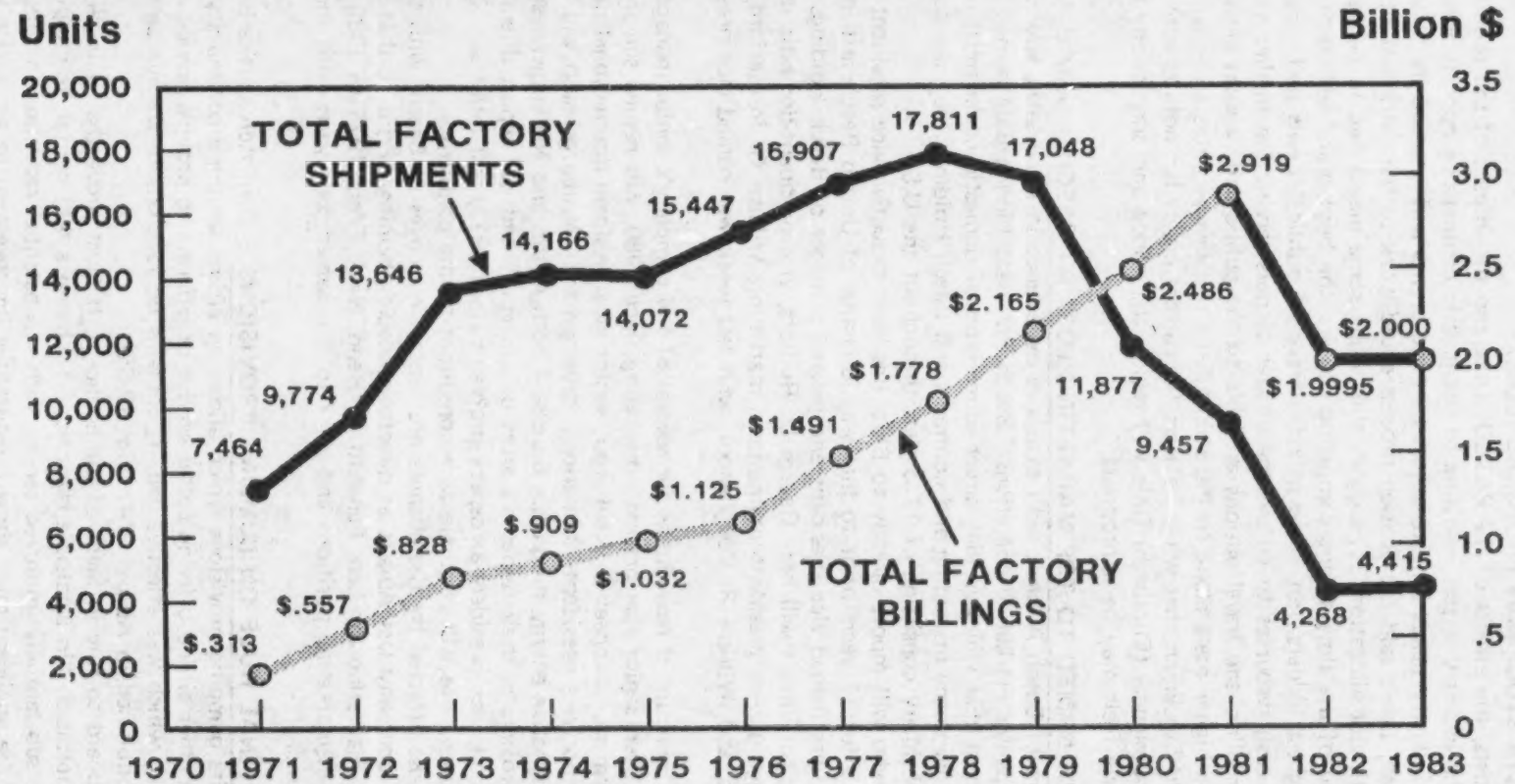
GENERAL AVIATION UNIT SHIPMENTS/BILLINGS



EXPORT MARKET

	Units	Billings
1982 (Actual)	1,162 (27%)	$650 Million (33%)
1983 (Forecast)	1,104 (25%)	$560 Million (28%)